FBIS DAILY REPORT

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BEAGLE NEGOTIATOR RETURNS, NOTES 'UNFAVORABLE' CHANGE

PY310309Y Buenos Aires TELAM in Spanish 0240 GMT 31 Oct 78 PY

[Text] Buenos Aires, 30 Oct (TELAM)--The chief of the Argentine delegation to the Argentine-Chilean mixed commission No 2 made the following remarks on his return to the country from Santiago, Chile:

The latest news is that I made this trip to report to the president on some variations which have occurred in the negotiations. Up to the present time, there have been a series of points of agreement. Practically all the ideas, the elements of judgment in order to achieve a good solution for the two countries, have been worked on and studied. Today there were substantial changes regarding some aspects in the position of the Chilean delegation, which means that I must report in order to fully analyze what all this means.

When asked if the change was favorable, Echeverry Boneo answered: "It is not favorable." He was then asked about the mood of the Argentine delegation regarding the future of the dispute.

The Argentine general said: "The mood of the delegation I am heading is optimistic. Although the expiration date is only 2 days away, we remain confident that good sense will prevail. We will continue to work with the same faith and hope of achieving a solution and with the good faith with which we have undertaken our work in this delegation over the last 5 months."

A journalist pointed out to him that Chilean negotiator Orrego Vicuna had noted that while progress was made in some areas, there were setbacks in others. Echeverry Boneo said: Yes. I believe that one must interpret negotiation as something in which logically there is give and take, and this is what sets the guidelines of what one may call progress or a setback. He added: It so happens that progress for one delegation could imply a setback for the other, but negotiation should not be considered in such rigid terms to the extent that it is viewed as a competition, a dispute. This is not the case: The fundamental objective is to seek agreements to achieve a final solution.

Asked if at this stage of the negotiations he could point out the agreements achieved, the head of the Argentine delegation said: "Not yet. I cannot give you that kind of information." He was then asked if the negotiations could continue after 2 November. Echeverry Boneo said: "No, sir. The commission is now at the second stage for which it was appointed. It will fulfill its mission on 2 November when the 180 days of negotiations will be over."

The journalists again asked him if the 2 November deadline could not be extended as a result of the variations he has mentioned. Echeverry Boneo said: "As far as my responsibility goes, this deadline cannot be postponed."

Asked if this deadline is also final for the Chilean party, he said: "Yes, because this deadline was stipulated in the Puerto Montt Act. This deadline was set for the joint commission comprised of the two delegations."

He was then asked: According to the Puerto Montt Act, 2 November is the deadline for an agreement. If that does not take place, what is the new alternative? He said: "At this time, the alternative established in the act begins with the agreements, [as received] but our final task it to submit proposals so that, logically, this third phase will be structured once the two governments have studied the considerations submitted and have approved them. This is the starting point."

Echeverry Boneo also told reporters that he will probably return to Santiago, Chile, tomorrow.

In conclusion, the Argentine general was questioned regarding foreign news agency indications that the two nations may reach an agreement to go to a new arbitration. Echeverry Boneo explained: "On the part of Argentina, it has been clearly established that it will not go to arbitration. This is all I can say regarding that commentary or report."

COMMUNIQUE ISSUED ON ADDITIONAL CABINET RESIGNATIONS

PY3l0103Y Buenos Aires TELAM in Spanish 0047 GMT 31 Oct 78 PY

[Text of communique released by the Presidential Public Information Secretariat in Buenos Aires on 30 October 1978]

[Text] In view of the resignation submitted by Vice Adm Oscar Antonio Montes, minister of foreign relations, the national executive branch has appointed Interior Minister Albano Harguindeguy as interim minister.

The following ministers have also submitted their resignations: Gen Carlos Enrique Laidlaw, minister of planning; Gen Jose Maria Klix, minister of defense; Gen Julio Arnaldo Gomez, minister of justice; and Vice Adm Julio Juan Bardi, minister of social welfare. They will continue in their positions until their successors are appointed.

Regarding the Labor Ministry, a new minister will be appointed when the current minister Gen Horacio Tomas Liendo, is assigned to a post in the army.

With regard to the presidential secretariats, the names of the secretaries will be released at the appropriate time, as these are superior officers on active duty with the rank of general or the equivalent.

Finally, information regarding changes and appointments in the provincial governments will be announced by the Interior Ministry.

CRITICAL NEED FOR NEW FOREIGN MINISTER CITED

PY3l0137Y Buenos Aires LA NACION in Spanish 30 Oct 78 p 8 PY

[Text] The foreign minister has resigned at a time when the country is facing three very critical situations of extreme interest to its foreign policy. He has done so on the basis of very respectable personal reasons--regarding the negotiating ability he had been given in his role as a "valid speaker abroad," and the public certainty that he would receive hints that his departure would be convenient.

The vacancy will be filled in the interim within the next few hours by another minister, but the proper conduct of Argentina's foreign policy demands that the seat in San Martin Palace be occupied immediately and permanently. National public opinion was deeply affected by the forced resignation of the foreign minister just a few days before the deadline for the second of the mixed commissions negotiating an agreement with Chile on the southern Atlantic dispute. If this must be taken into account because of its immediacy, then the truth is that the national interests currently in play are also notably significant in the tripartite discussion of specific matters regarding shared development of the Parana's large hydroelectric wealth. [paragraph continues]

And at the same time, the negotiations with Great Britain regarding the Malvinas are also significant, which completes the framework of serious matters in which the republic's sovereign rights are being directly compromised today.

It would be wrong for foreigners to believe they can take advantage of Foreign Minister Montes' resignation. In effect, his departure is in no way related to any of the current negotiations, including those regarding the southern Atlantic. These resignations are being conducted during a time of spiritual unity and specific ideas shared by the Argentines on the basis of daily observations. The government has been able to prove this through the contacts which it has made of its own volition with personalities of the various national political trends.

But the country cannot concede the slightest advantage in the present foreign policy situation which is aggravated by the notorious attacks emerging from a deliberate misunderstanding in some European countries and U.S. political sectors regarding the war against subversion. Therefore, it is very urgent that a foreign minister be named. And if possible, with sufficient experience to undertake a diplomacy which can do battle on these many difficult fronts.

20 ITAIPU TURBINES WILL ENDANGER PARANA NAVIGATION

PY272355Y Buenos Aires CLARIN in Spanish 27 Oct 78 p 6 PY

[Eduardo van der Kooy article: "Potential Danger"]

[Text] The unofficially reported agreement between Brazil and Paraguay to increase the number of turbines for Itaipu from 18 to 20 directly affects our country because the problem of making all the dams on the upper Parana compatible with each other has always been strictly a trilateral issue.

The question, then, is almost obvious: How does this bilateral decision affect Argentina?

It is obvious that for reasons beyond our country's control, negotiations have experienced a serious slump. The reason is simple: This lengthy process has from the very beginning involved three or four key variables (i.e. the Itaipu turbines, navigation of the river and the height of Corpus). When the end was almost in sight, when there was an impression that we were on the threshold of agreement, one of those terms was altered. It is logical to assume, then, that the others will also be changed.

There is more: THE NEGOTIATIONS SEEM TO HAVE EXPERIENCED A RARE CHANGE, RETURNING TO A FRAMEWORK OF TECHNICAL DISCUSSION WHICH HAD DEFINITELY BEEN COMPLETED.

The truth is that the 20 turbines are a "potential danger" to navigation of the Parana River, and consequently to Argentina.

The technical explanation isn't easy, but a simplification is worthwhile. First of all, it is appropriate to indicate that it is very difficult for a hydroelectric dam to operate with all its turbines at "full capacity." Some of them, almost without exception, must be out of operation for maintenence or repair.

THE ESSENTIAL THING IS THAT THE OPERATION OF TURBINES (REGARDLESS OF THE NUMBER) MAY NOT AFFECT THE NAVIGABILITY OF THE RIVER DOWNSTREAM.

That is, when the level of the Parana River is high, there is less danger that this level will fall because all of Itaipu's turbines will be activated, because these engines operating at a regular capacity use and release water at a constant rate, acting as a central passage [central de pasada] without affecting the volume of water.

The greatest danger, however, is concealed in the "downstream flow" of the Parana River. If we also consider that there are peak demand hours in electricity consumption (IN BRAZIL, FOR EXAMPLE, THE DEMAND IN SAO PAULO, AN INDUSTRIAL CENTER, USUALLY DOUBLES AT PEAK DEMAND HOURS), we come to the conclusion that with a low-level river and a growing demand for energy, Itaipu would be forced to "meet the load," in the technical definition, at the maximum level. This would bring all its turbines into operation and abruptly dump a larger volume of water downstream.

Then the alteration of the Parana River would be irreversible and the navigability (MEASURED IN HALF-METER INCREASES/PER HOUR IN FLOW) would be greatly affected.

From this we can deduce that the key to the question is respect for navigation limits. BUT WE SHOULD NOT FORGET THAT THE GREATER THE NUMBER OF TURBINES THERE ARE AT ITAIPU, THE MORE DIFFICULT IT WILL BE FOR BRAZIL TO RESPECT THOSE LIMITS.

All this leads us to think, then, that negotiations could enter a crucial stage of "reformulation." Today's terms are no longer similar to those outlined by Brazil in the position presented in Asuncion in September 1977, when the presence of 18 turbines was confirmed and then ratified by Mauro Moreira and Reginaldo Cotrim, the Brazilian negotiators.

Now, our country also claims the right to withdraw from some of the guidelines established for Corpus, and even to renounce the statement called "quantifiable aspects of energy interrelation between Corpus and Itaipu," presented to Brazil in September last year.

ARAB LEAGUE OFFICE DENIES PLO-MONTONERO LINKS

PY281628Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1315 GMT 28 Oct 78 PY

[Text] Buenos Aires, 28 Oct (NA)--The Arab League mission in Buenos Aires today "categorically" denied that the Palestine Liberation Organization (PLO) has any links with subversive elements of the Montoneros organization or "with any other terrorist group with similar beliefs or roots."

The explanation was delivered by leaders of the Arab League to the Argentine Foreign Ministry and its text released by officials of the Foreign Ministry.

The denial states that if there are photographs showing PLO leader Yasir 'Arafat with some elements allegedly linked to Montoneros, it is only because the Palestine leader "is continuously sought for meetings" and receives people who are concerned "over matters related to the Arab cause."

The explanation by the Arab League was issued as a result of demands made in the last 2 weeks by the Argentine Foreign Ministry regarding alleged links of terrorist organizations with the PLO.

SITUATION UNCLEAR AFTER WAVE OF LABOR ARRESTS

PY301745Y La Paz Radio Panamericana Network in Spanish 1700 GMT 30 Oct 78 PY

[Excerpt] Security personnel of the Interior Ministry today arrested several citizens in La Paz and Cochabamba, charging them with involvement in subversive activities. Our first report of the event came from the city of Cohcabamba, where our correspondent Juan Guitierrez reported the arrests of Oscar Sanginez and Fred Rengifos, leaders of the departmental branch of the Bolivian Workers Central; Lucio Lopez, leader of the Factory Workers Federation of Cochabamba; and (Alfonso Ferrupino), member of the Movement of the Revolutionary Left [MIR] and a teacher at San Simon University of Cochabamba.

The arrests of these citizens was received with surprise by Bolivian political and labor sectors because just a few hours ago the interior minister anncunced that the political and social situation of the country was completely normal.

The Bolivian Labor Central [CCB] departmental branch of Cohcabamba and the factory workers of the same district were organizing meetings for this afternoon to analyze the situation and to demand the immediate release of the persons arrested.

[Begin Juan Gutierrez recording] This is a special report from Cochabamba for Radio Panamericana. On instructions of the Interior Ministry several citizens were arrested early this morning in Cochabamba, while the rumor that a coup d'etat had been thwarted circulated persistently in both official and labor circles, although the former did not confirm it.

It was reported, however, that a number of citizens were arrested in the last few hours. These are the citizens arrested: Oscar Sanginez, secretary general of the departmental branch of COB; Fredy Rengifos, organizational secretary of the COB; Lucio Lopez, top leader of the factory workers federation of this city; and (Alfonso Ferrupino), a member of the MIR and a teacher at San Simon University.

Sources of the COB and the federation of factory workers indicated that a state of emergency would be declared due to the arrest of these top leaders. The federation of factory workers has called a special meeting which will be held at 1600, while the COB called another special meeting scheduled at 1830.

This correspondent spoke with the leading local officials, both the prefect and the commander of the 7th Army Division headquartered in Cochabamba. [end recording]

The division commander indicated that he knew nothing about the arrests and added that troops had not been alerted.

UNIONS TO WORK FOR RELEASE OF DETAINED LABORERS

PY310155Y La Paz Radio Panamericana Network in Spanish 0000 GMT 31 Oct 78 PY

[Text] The Bolivian Labor Central [COB] will negotiate with pertinent organizations for the freedom of labor leaders who were detained due to recent events in the country. This report was given to Panamericana by Prof Rene Higueras del Barco, COB secretary general, who indicated that he had not had an official report on the detention of Lucio Lopez, factory leader from Cochabamba.

[Begin Higueras del Barco recording] We have no official report [words indistinct] of the labor organizations of that city. However, if there really is a detention, the COB executive committee will take the necessary steps to obtain the freedom of this leader since we understand that the workers have not engaged in conspiracy, and, therefore, I do not believe there is cause to begin a campaign of repression against labor leaders or against grassroot workers. [end recording]

COB General Secretary Higueras del Barco indicated that the government must have sound reasons to carry out detentions of political and labor union leaders. He declared that the main organization of Bolivian workers expects a detailed explanation of all the recent political events before making a specific statement. This is what our informant stated:

[Begin Higueras del Barco recording] I understand that the supreme government may have some reason to make these detentions, and we expect some official explanation in the next few hours so that labor and political sectors can know exactly what the reason for those detentions is and so we can take the pertinent steps to obtain the freedom of those unjustly detained. [end recording]

The General Confederation of Bolivian Factory Workers [CGTFB] requests clarification of the recent events from the Interior Ministry and the immediate release of detained factory workers.

In a statement to the press, the CGTFB national executive committee says it regrets to report to workers of this sector that early this morning, Lucio Lopez and Fredy Rengifos, secretary general and secretary of records of the Cochabamba Confederation of Factory Workers, were detained. Among other things, the statement charges that Oscar Sanginez, secretary general of the Cochabamba departmental labor central, was detained in the same city. The statement is signed by (Luis Lopez), (Juvenal Guzman), (Victor Vasco Paz) and (Edward Zindo Arinex), CGTFB executive secretary, secretary general, and relations and problems secretaries, respectively.

FUDP CONDEMNS ARREST OF LABOR LEADERS

PY301900Y La Paz Radio Panamericana Network in Spanish 1700 GMT 30 Oct 78 PY

[Text] [Passage indistinct] The Democratic and Popular Unity Front [FUDP] has reported the arrests of Luis Pelaez Rioja, Abel Ayoroa Argandona, Oscar Garcia and Jose Rivero, who are members of the National Revolutionary Movement of the Left [MNRI], and (Alfonso Ferrupino Valderrama) leader of the Movement of the Revolutionary Left [MIR].

The FUDP communique released to the press indicated that these events contradict the repeated statements of the government to the effect that the opposition is free to carry out its political activities, thus giving rise to an atmosphere of distrust and unease which is contrary to the democratic coexistence for which the people voted en masse on 9 July.

The communique added that the FUDP has given undeniable proof of its democratic principle and strongly rejected any charges through which the government might attempt to justify the repression unleashed against the leaders and members of the FUDP.

The document concluded by requesting the immediate release of all detainees.

INTERIOR MINISTRY COMMUNIQUE RELATES 'SUBVERSIVE PLAN'

PY301854Y La Paz Radio Panamericana Network in Spanish 1700 GMT 30 Oct 78 PY

[Text] An important meeting of cabinet members in charge of the nation's political leadership is now taking place at the government palace.

The Interior Ministry is just now delivering to Panamericana the following communique which will be read to our listeners by our newsman (Jaime Delian):

[Begin text of communique] During an operation conducted Sunday night, October 29, and early today, government security forces uncovered a subversive plan designed to compromise some armed forces officials, with the participation of extremist political factions [passage indistinct] Oscar Garcia Suarez, organization secretary and personal aide to Herman Siles Zuazo. [end of text]

It is then indicated that he was detained at the main door of army headquarters in Miraflores at 2200 while in the act of executing his disgraceful plan, which was corroborated by his own statements.

In addition, the document emphasizes that this confirms the conspiracy chosen by international extremism which, as the public knows, has refused to take part in the political dialog begun by the national government with opposition sectors and political parties. It is the government's unshakable intention to institutionalize the country through a democratic and progressive process which will culminate in a general election. The supreme government has denounced these attitudes which contradict the much-repeated calls for peaceful and civilized coexistence. The government warns that in order to safeguard order and social peace, it will take the appropriate measures to guarantee national security.

MINISTER SAYS ELECTION DATE STILL FLEXIBLE

PY280236Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 27 Oct 78 PY

[Excerpt] The interior minister has stated that the date for the next elections could be changed. According to Interior Minister Col Faustino Rico Toro, the government's position with regard to elections, announced by President Juan Pereda for 1980, could be reviewed in accordance with the suggestions of opposition parties.

The interior minister added: The government is not closed to any change in its position. It has proposed a date which, undoubtedly, we will have to continue discussing through dialog until we reach the date most appropriate for the country.

BRIEFS

CZECHOSLOVAKIA INTERESTED IN INVESTMENT--Industry and Commerce Minister Edwin Tapia Frontanilla today met with the Czechoslovak ambassador to Bolivia. The ambassador expressed his country's interest in establishing a motorcycle assembly plant here, and included the possibility of manufacturing the motorcycles entirely in Bolivia at a later date. Czechoslovakia is also interested in expanding its purchases from Bolivia, especially in minerals, agricultural products and some Bolivian manufactured products. [La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 26 Oct 78 PY]

NEW SPORTS SECRETARY--Lt Col (Orlando Villegas Murillo) was sworn in today as the new national secretary for sports and youth. [La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 27 Oct 78 PY]

AGREEMENT REACHED WITH PARAGUAY ON ITAIPU EXPANSION

PY302344Y Paris AFP in Spanish 2315 GMT 30 Oct 78 PY

[Text] Brasilia, 30 Oct (AFP)--Brazil and Paraguay made official today with an exchang of notes the increase in the [number of] turbines for Itaipu, it was officially reported. The announcement was made by the Brazilian Foreign Ministry spokesman, who said that a copy was handed to Argentine Ambassador Oscar Camillion this afternoon.

FRENCH AIR FORCE CHIEF OF STAFF ARRIVES

PY302208Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 30 Oct 78 p 5 PY

[Excerpt] Gen Maurice Pierre Saint Cricq, chief of staff of the French Air Force, stated yesterday on arriving at Rio de Janeiro's airport from Paris that his visit is primarily aimed at consolidating relations between the French and Brazilian Air Force and at studying areas in which these relations may be furthered.

Declining to confirm his country's interest in purchasing Bandeirante and Xingu planes, he made clear that this is a courtesy visit at the invitation of his Brazilian counterpart, Gen Paglioli de Lucena. He will go to Brazilia today. He will be in Brazil 5 days, and will spend 2 days visiting installations of the Brazilian Aeronautics Company in Sao Jose dos Campos.

SAO PAULO METAL WORKERS STRIKE FOR HIGHER PAY

PY302356Y Paris AFP in Spanish 2002 GMT 30 Oct 78 PY

[Text] Sao Paulo, 30 Oct (AFP)--It was reported that more than 100,000 metallurgical workers here went on strike this morning to support demands for higher salaries. The unions said the action encompassed more than 200,000 workers--70 percent of Sao Paulo's metallurgical workers--but the Brazilian Labor Ministry asserted that there were barely 50,000 strikers.

The metallurgical workers of Sao Paulo, which also includes the industrial suburbs of Osasco and Guarulhos, are demanding a 65-percent salary increase, but the enterprises are only willing to grant them a 56-percent increase.

FIGUEIREDO CONCEDES THREE STATES TO MDB

PY271842Y Rio de Janeiro JORNAL DO BRASIL in Portuguese 26 Oct 78 p 4 PY

[Excerpts] Salvador--General Figueiredo believes that the coming elections will be won by the Brazilian Democratic Movement (MDB) in Rio Grande do Sul, Rio de Janeiro and Sao Paulo, while in all other states the National Renewal Alliance (ARENA) will have an "easy" victory. At least that is what he said yesterday morning at the Dois de Julho airport before boarding the plane for Aracaju, thus putting an end to his 22-hour visit to this capital, the first after being elected president of the nation.

General Figueiredo spoke to a local television station at the VIP hall of the airport at the request of Bahia State Governor-elect Antonio Carlos Magalhaes. The journalist of the local television station Aratu--one of whose owners is Deputy Governor-elect Luis Viana Neto--was able to approach the general while his colleagues were being kept away from the VIP hall for security reasons.

EL MERCURIO: ARGENTINA MUST ACCEPT BRITISH RULING

PY310223Y Paris AFP in Spanish 0152 GMT 31 Oct 78 PA

[Excerpts] Santiago, Chile, 30 Oct (AFP)--EL MERCURIO writes that while Argentina maintains its current position of denying the validity of the British arbitration decision, there will be no possibility of an agreement with Chile.

In its Tuesday edition the morning newspaper indicates that the only thing which will be achieved will be a widening of the break between the two countries, a weakening of the Beagle Channel decision and even a weakening of the (?1972) general treaty regarding the legal solution of controversies. The Chilean newspaper explains that this treaty was negotiated precisely to seek solutions to disagreements which could not be overcome through direct negotiations.

The final document, which must be signed next Thursday, will contain the results of 4 months' work and the proposals, if any, which the commission will make to the government, EL MERCURIO notes.

The newspaper adds [words indistinct] be a motive for concern when it is a question of bilateral negotiations between traditionally friendly countries. Nevertheless, they have become distorted in view of Argentina's not acknowledging the British decision. This decision granted Chile sovereignty over three islands located south of the Beagle Channel.

CHURCH CONTINUES PRESSURE OVER MISSING PERSONS

PY301147Y Paris AFP in Spanish 1413 GMT 28 Oct 78 PY

[Text] Santiago, Chile, 28 Oct (AFP)--Representatives of the Catholic Church expressed their surprise here today over the silence of the Chilean military government regarding the problem of detained persons who have disappeared.

Representatives of the Vicariate of Solidarity and the Santiago archbishopric pointed out that it was announced 5 months ago that there would be an official statement within a short time, as a result of the hunger strike held by relatives of missing persons who wanted to know their whereabouts.

The priest Christian Precht, head of the Vicariate of Solidarity, said that we are surprised that no major details have been given yet.

The Interior Ministry announced last July that it was willing to investigate the cases which were submitted to it. And various Chilean bishops sent reports to the ministry about missing and presumably detained persons from their dioceses.

According to church sources, reports of 433 cases have been sent to the government so far, but new documents will be sent next week, and the number of reports will thereby increase to 500.

CUTCH ISSUES STATEMENT ON 'REPRESSION' OF CHILEAN LABOR

FL261246Y Havana Domestic Service in Spanish 1232 GMT 26 Oct 78 FL

[Text] The Chilean Trade Union Confederation [CUTCH] has urged the international labor movement to demand that military junta chief Augusto Pinochet rescind the degree which bans seven labor organizations in that country. In a statement released in Havana by the CUTCH foreign committee, the organization asserts that Pinochet has initiated a new phase of repression to gag the Chilean labor movement.

GOVERNMENT, BUSINESS, LABOR AGREE ON MINIMUM WAGE HIKE

PA310333Y Bogota Cadena Radial Super in Spanish 0000 GMT 31 Oct 78 PA

[Excerpts] There are points of agreement among the government, the private sector and the labor centrals on establishing a new minimum wage for Colombia's workers. That statement was made at San Carlos Palace after the tripartite conference by the agriculture minister and the president of the Colombian Small Industrialists Association [ACOPI], Jose Miguel Lopez Calle, who agreed that the conference was very positive and that definite progress had been made toward reaching a final agreement.

The most important points revealed by the agriculture minister and the president of ACOPI are that there is consensus on the need to increase the minimum wage and that the size of the increase must not be inflationary. The ACOPI president told this station that the possibility of a general wage increase has not been dismissed and that it is being studied very carefully. He added that the National Wage Council, which will determine the amount of the minimum wage, will meet after the next tripartite conference, which should be held on Tuesday of next week.

The president of the Union of Workers of Colombia [UTC], Tulio Cuevas Romero, said after leaving the conference that there is no opposition in the labor sector to a dignified wage increase. He added that the Association of Peasants of Colombia met some opposition on what the new uniform minimum wage for the combined farm and city sectors should be. The other private sectors, such as the National Federation of Businessmen [FENALCO], the National Industrialists Association [ANDI] and ACOPI supported the idea of the labor centrals of making farm and city wages uniform.

Jose Miguel Lopez said that a general wage increase had not been discarded but Manuel Felipe Hurtado, president of the Confederation of Workers of Colombia [CTC], affirmed that in spite of the fact that the labor centrals keep insisting on this, the government has said that there is no great possibility for this because it would create more inflation in the country. However, the president of the CTC said that what the workers can be sure of is that there will be an increase in the minimum wage. He declined to say how much it would be increased because this is under discussion.

We can summarize the results of the tripartite conference in the following terms. There are points of agreement between the private sector and the labor centrals on separate minimum wage increases for farm and city workers. ACOPI and the Association of Peasants of Colombia are opposed to the uniform farm-city wage. According to FENALCO and ANDI representatives, however, there is a possibility of establishing a uniform wage for the city and the farm.

Labor Minister Against Increase

PA310218Y Bogota Cadena Radial Super in Spanish 0000 GMT 31 Oct 78 PA

[Text] Colombian Labor and Social Security Minister Rodrigo Marin Bernal has just dismissed, for the time being, the possibility of a general wage increase because, he said, the government would have to request special powers from the Colombian Congress to enact it.

SUPREME COURT DECLARES SECURITY REGULATIONS CONSTITUTIONAL

PA310212Y Bogota Cadena Radial Super in Spanish 0000 GMT 31 Oct 78 PA

[Excerpt] The Colombian Government saved the security regulations today. In a disputed and criticized decision the Supreme Court of Justice, sitting in plenary session, today declared Decree No 1923, or the security regulations, constitutional. Supreme Court President Luis Sarmiento Buitrago told reporters at the court that the regulations were declared constitutional by a vote of 19 for and 5 against.

COMMUNICATIONS MINISTRY PUNISHES RADIO STATIONS

PA302347Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 30 Oct 78 PA

[Text] Bogota--Five radio stations were punished today by the Communications Ministry for violating security statute regulations. Under Decree 3444, Nuevo Mundo, a Caracol radio station in Bogota, was fined 5,000 pesos, Radio Periodico Hablado in Barranquilla, 5,000 pesos, and Radio Periodico Informando in Barranquilla, 1,000 pesos. Emisora Radio Reloj in Cucuta was suspended for 10 days and Radio Punto in Zulia, Santander del Norte, had its broadcasts suspended for a 5-day period.

PRIVATE SECTOR CALLS FOR INVESTMENT INCENTIVES

PA301700Y Bogota Cadena Radial Super in Spanish 1100 GMT 30 Oct 78 PA

[Text] Bogota--Colombia's private sector has pointed to the urgent need to expand industry if there are to be sufficient job opportunities for a large number of persons during the next decade. The leaders of various organizations agreed with the proposals made in Cartagena during the banking convention regarding the urgent need for accelerated economic development.

Gaston Abello, president of the Confederation of Chambers of Commerce, called for effective financial programs because, he added, without investment incentives one cannot achieve the planned capitalization that the country requires.

Abello also expressed concern over the situation announced in Cartagena regarding a reduction in the country's savings and pointed out that it would be very serious if savings were diverted into speculative activities which would be harmful to Colombia's productive capacity.

FORMER OAS AMBASSADOR DENIES SUPPORTING SOMOZA

PA310215Y Paris AFP in Spanish 2308 GMT 30 Oct 78 PA

[Text] Bogota, 30 Oct (AFP)--The former Colombian ambassador to the OAS, Joaquin Gori, denied again here today reports of his alleged backing for the Nicaraguan regime of Anastasio Somoza.

The diplomat, who resigned from his post on 18 August, thus referred to reports from abroad that the situation in Nicaragua had been exaggerated when he served as OAS observer. Gori said statements he made in Costa Rica were "misrepresented" and that he never supported the Somoza administration. According to a government communique disclosed (?here) today, the former ambassador was removed for [word indistinct] the career of a diplomat after 47 years of service.

ANTI-SOMOZA LEADERS TO PARTICIPATE IN LIMA RALLY

PA272153Y Buenos Aires LATIN in Spanish 0057 GMT 27 Oct 78 PA

[Text] Lima, 25 Oct (LATIN)--Anti-Somoza leaders Eden Pastora ("Commander Cero"), Colombian writer Gabriel Garcia Marquez and Nicaraguan poet Ernesto Cardenal will arrive in Lima on Sunday in response to an invitation by the "Peruvian Committee of Solidarity with Nicaragua." The announcement of the arrival of the leaders struggling against President Anastasio Somoza's regime was made by Peruvian writer Esteban Pavletich, a former secretary to the Nicaraguan leader Cesar Augusto Sandino.

"Commander Cero" led an operation on 22 August to occupy the Nicaraguan National Palace and obtain the release of several political leaders. Pavletich, spokesman for the "solidarity committee," said that the guests will participate in a popular rally in Dos de Mayo Park being organized by several leftist labor unions and political groups.

Garcia Marquez and "Commander Cero" will also hold a news conference at the international airport on Sunday. On Tuesday they will go before the Constituent Assembly, which several weeks ago approved a motion of support for the struggle of the Nicaraguan people against Somoza's government.

ECONOMY MINISTER OUTLINES NEW ECONOMIC POLICY

PA301423Y Madrid EFE in Spanish 0914 GMT 30 Oct 78 PA

[Text] Lima, 30 Oct (EFE)--The Peruvian Government announced on Sunday that it will implement a 2-year program under which certain state enterprises will be transferred to the private sector and others will be opened to "expanded financing" to permit them to become joint enterprises. Economy Minister Javier Silva announced the program during an address to the nation to explain the 1979-1980 economic program. Silva said that it is necessary to reorganize public enterprises to "convert them into dynamic mechanisms that can operate competitively on the market from the viewpoints of profitability and self-financing."

The government's decision, which has now been incorporated into the economic program, was announced a short time ago. It ends a phase of government policy in which large-scale mining, agroindustry, the extraction and processing of fishmeal and fish oil, and banking and industrial sectors were removed from private enterprise. That policy, which was pursued by the leftist regime of Gen Juan Velasco, is considered to be the main cause of the economic misfortunes that Peru is currently experiencing.

The Peruvian economy minister noted that the new program is being presented to the public only 72 hours after the so-called "club of Paris" began reorganizing the country's large foreign debt, which is officially listed as $9 billion.

Before his speech, the minister was interviewed on the Lima television program "Contacto Directo," where he noted that servicing of the public debt in 1979 and 1980 would be equivalent to over 55 percent of the revenue from the country's exports.

Silva Ruete said that Peru is seeking to defer high payments during the next 2 years to avoid obtaining new loans for the gradual payment of others or subdividing the payments as some creditors have suggested. The minister said that Peru has debts with 203 banks, including some Japanese banks with which it is "very hard to negotiate."

## More on Economic Plan

PA301530Y Paris AFP in Spanish 1616 GMT 30 Oct 78 PA

[Text] Lima, 30 Oct (AFP)--An emergency economic program for 1979-1980 that will stimulate production in four main areas and raise the gross national product to 3.5 percent was outlined last night by economy and Finance Minister Javier Silva Ruete. The program, which includes an emergency plan to impose harsh penalties for tax evasion and possession of contraband, seeks to achieve "selective stimulation of production in the crucial areas of agriculture, energy, mining and industry for export," as well as the reduction of unemployment and underemployment.

The plan, which seeks "the growth of general economic activity in order to reverse the negative tendencies of the gross national product in 1979," will attempt to achieve a GNP of 3.5 percent by 1980. The GNP for 1979 is expected to be 1.0 percent. In addition, the plan is designed to achieve an improved trade balance, a reduced budget deficit and a reduction in the inflation rate from an expected 40 percent in 1979 to 20 percent by 1980. It will also seek to increase export revenues to approximately $2.7 billion in 1980.

The minister said that the success of the plan would be a significant contribution for insuring that the government be formed through elections within the established period and begin its term of office on a solid economic base, thereby guaranteeing a permanent democratic process. Noting that the aforementioned sectors "will be given priority," the minister said that this is due to the scarcity of existing resources which, if increased, would generate a new inflationary spiral that would be very difficult to control.

Stating that maximum encouragement will be given to private enterprise, the minister said that "foreign investment will be welcomed within the framework of existing laws and the country's commitment to Andean subregional integration." In addition, Minister Silva announced the promulgation of a law to promote nontraditional exports, the application of which will generate a substantial increase in revenues, the advantageous use of industry's capability and the creation of new sources of jobs.

Referring to the foreign debt, the minister said that caution will be exercised in negotiating new loans to bring the level of indebtedness into line with the country's productive capacity. Among other measures to be adopted by the government, the minister mentioned a number of changes in the existing tax package designed to broaden the tax base, incorporate new taxpayers and achieve a more equitable distribution of the tax burden.

The economic plan also provides for periodic wage increases, taking into consideration the rate of inflation and the need to protect the workers' puchasing power, as well as a periodic "adjustment" in the price of gasoline and other petroleum byproducts. At the same time, a number of low-yield taxes which fulfill no definite function will be eliminated, the minister said.

Minister Silva Ruete will leave for France today to seek, within the "club of Paris," partial refinancing of the country's $8.2 billion foreign debt.

## Paris Debt Negotiations

PA310757Y Paris AFP in Spanish 0218 GMT 31 Oct 78 PA

[Excerpt] Lima, 30 Oct (AFP)--Javier Silva Ruete, Peru's economy and finance minister, left for Paris this afternoon confident that he will be able to negotiate the restructuring of the foreign debt.

The negotiations with the so-called "club of Paris" (representatives of the governments to which Peru is in debt) will begin tomorrow afternoon and probably last until Friday. Silva Ruete announced that after the Paris meeting he will go to Holland. He did not specify the reason for his trip. The purpose of the meeting of the club of Paris is to obtain a deferment of payments and interest on the foreign debt for 1979 and 1980.

"I am certain that the international financial community, after hearing Peru's economic program, will agree to restructure the foreign debt," Silva Ruete said as he boarded the plane. Through this, he added, Peru will enter upon a course of real economic recovery. He also said that Paris club and Peruvian experts had analyzed the relevant documents and that he and his advisers will participate in the final stage of the talks.

PEACEFUL RESOLUTION SEEN FOR BOLIVIAN BORDER INCIDENT

PA271856Y Paris AFP in Spanish 0523 GMT 27 Oct 78 PA

[Text] Lima, 27 Oct (AFP)--It was reported here today that a border incident between Peru and Bolivia was resolved by the intervention of the foreign ministers of the two countries. Peruvian Foreign Minister Jose de la Puente said that the incident, which took place on 9 October, has not affected the normal relations between the two countries and that the foreign ministries have agreed to establish a joint commission to investigate the incident.

According to the account published here, the incident occurred in the area of Pacaran Estate, where Peruvian military personnel arrested members of the Bolivian Army. It was noted that there is no clear demarcation of the border in the area. The report adds that in reprisal, Bolivian soldiers entered Peruvian territory and in turn arrested Peruvian military personnel. In neither case were weapons used and there were no casualties.

De la Puente said that in view of the incident, he telephoned his Bolivian counterpart, Ricardo Anaya, and after discussion of the issue they decided to establish a joint task force. The foreign minister added that the border in the area where the incident occurred "is based on a geodesic line which cannot be immediately identified because certain markers have been destroyed or are otherwise missing." The foreign minister said that officials of the two countries will meet in the area to adopt "certain practical measures to forestall other incidents of this kind."

For his part, according to information released here by the official news agency, Raul Botelho, under secretary of maritime affairs and international waters [as received], attributed the problem to "misunderstandings among civilian inhabitants," caused by the lack of a clear border in the Pacaran area.

BRIEFS

SATELLITE COMMUNICATIONS--As of next year, towns in eastern Peru will have the use of satellite communications. The necessary equipment is already being installed. [Lima Domestic Service in Spanish 1200 GMT 24 Oct 78 PY]

40 NICARAGUAN REFUGEES ARRIVE IN CARACAS

PA301615Y Caracas Radio Continente Network in Spanish 1000 GMT 30 Oct 78 PA

[Text] Forty Nicaraguan refugees arrived in Caracas over the weekend and have been housed in the (Neve de la Pastora) Hotel. The 16 men, 16 women and 8 children are from Diriamba, 41 km from Managua. They are part of the 178 refugees who have been in the embassy since 2 October, having fled from gorilla Somoza. There are about 350 refugees in the Venezuelan, Colombian, Mexican and Panamanian embassies. Nicaraguans are not going to European embassies because they want to go to neighboring countries so they can return [words indistinct]. We in Nicaragua are all political refugees because we are all enemies of dictator Somoza, the Nicaraguan refugees said.

PRESIDENT PEREZ COMMENTS ON PETROLEUM PRICE RISE

PA301856Y Buenos Aires LATIN in Spanish 1752 GMT 30 Oct 78 PA

[Text] Caracas, 30 Oct (LATIN)--Answering a question at Miraflores Palace, President Carlos Andres Perez said here today that "the increase in oil prices can never be between 20 to 30 percent, because that would be equivalent to dropping an atomic bomb."

The chief of state fielded newsmen's questions on the outcome of the talks with Saudi Oil Minister Amhad Zaki Yamani, who visited Caracas last week. The two officials said after the talks that there is full understanding between Venezuela and Saudi Arabia with regard to oil matters and that OPEC will demonstrate its strength and unity during the meeting to be held in Abu Dhabi in December.

Yamani Statement

PA301706Y Caracas Radio Continente Network in Spanish 1000 GMT 30 Oct 78 PA

[Excerpt] A hike in petroleum prices will receive increased support as other members of the OPEC are consulted, according to Saudi Arabian Petroleum and Mineral Resources Minister Shaykh Ahmad Zaki Yamani. He indicated that Venezuela and Saudi Arabia agree on the need to increase oil prices and that both nations have common interests.

PRESIDENT ENDS VISIT TO BARBADOS 21 OCTOBER

FL261620Y Bridgetown SUNDAY ADVOCATE-NEWS in English 22 Oct 78 p 1 FL

[Excerpts] Venezuela's President Carlos Andres Perez, who returned home last night after a two-day state visit to Barbados, said that both countries had tangible possibilities to join forces in many fields.

President Perez said the two peace-loving countries observed with great concern the absurd and unchecked nuclear arms race of the big powers and were equally concerned with the proliferation of conventional arms which involved the developing countries.

"We are especially concerned over the efforts by some Latin American countries to obtain arms despite the adoption of such important initiatives as the Tlaltelolco Treaty and the Declaration of Ayacucho."

The Venezuelan head of state was addressing a luncheon, which was hosted by the prime minister, Mr. Tom Adams, at Sam Lord's Castle.

While the situation of inter-national injustice and instability prevailed in the world and a new international economic order was not established, "we will not be guaranteed inter-national peace and security." And neither would the nations be able to achieve their well-being, he added.

President Perez called for unity and solidarity among developing nations and said that it represented the only opportunity that would allow the concept of interdependence to signify authentic international co-operation and not just another form of dependence, exploitation, privilege and discrimination.

Closer Ties

The Venezuelan head of state said his country, a member of the Caribbean fraternity, missed no opportunity to sponsor closer relationships in the region, based on frank and stable co-operation, free of second intentions and oriented towards contributing to the progress of its peoples.

"We continue to insist upon the need for establishing a programme for economic development of the Caribbean, particularly for the younger nations, so as to provide stability for their economies, promote their integration and lay solid bases for their national sovereignty," he said.

President Perez continued: "Ever since the establishment of the unbreakable ties that unite us today, dialogue and beneficial mutual co-operation have opened true possibilities for sound initiatives for the economic and social well-being of our peoples.

"However, we must frankly say that programmes have not developed in keeping with the aspirations of our peoples and with the solidarity that binds us.

"The direct dialogue that we have established today must also bear the commitment of an effective relationship and close collaboration.

"Despite the fact that we are neighbours and geographically close and that we share aspirations and common objectivism and that we are identified in the global controversy for a new international economic order, there are circumstances beyond our domain which we still have not learned to overcome which in a certain way have kept us apart."

MINISTERS DISCUSS GUERRILLAS, COMING ELECTIONS

PA301530Y Caracas Radio Continente Network in Spanish 1000 GMT 30 Oct 78 PA

[Text] Venezuelan Interior Minister Manuel Mantilla said that there are no subversive activities in the country. Mantilla spoke at Miraflores Palace following a meeting with President Carlos Andres Perez. Mantilla added that media representatives are aware of the blows dealt to the last guerrilla groups in eastern Venezuela. He said that the national government guarantees that there will be no disruptions of public order even though some mindless people may want this.

Defense Minister Gen Fernando Paredes Bello said that the armed forces will utilize schools when the Supreme Electoral Council considers it convenient. The minister gave details yesterday on the progress of the "republic plan" drawn up for the 3 December elections. Paredes spoke to the cabinet and state governors at a meeting held in Miraflores Palace. He noted that the armed forces will guard the schools after the Supreme Electoral Council makes the request to the Education Ministry.

FORMER REBEL LEADER CLAIMS GUERRILLAS WEAKENED

PA291519Y Buenos Aires LATIN in Spanish 1230 GMT 29 Oct 78 PA

[Text] Caracas, 29 Oct (LATIN)--The guerrilla groups operating in eastern Venezuela are physically, morally and ideologically weakened, former rebel Ruben Ricardi affirmed here today during a news conference held at police headquarters.

One month ago, the Directorate of Intelligence and Prevention Services (DISIP) captured peasant Aurelio Andrades, 57. On the basis of his testimony, the DISIP then managed to arrest Bandera Roja guerrilla leader Ricardi in Caracas on 6 October.

According to the DISIP, Ricardi had participated in a number of kidnapings and revolutionary activities since February 1971. Ricardi, who is known among the guerrillas as "Comandante Indio," told newsmen that the two rebel groups operating in Anzoategui State in the east, have no more than 25 very demoralized members. Both peasant Andrades and Ricardi have announced their decision to join the DISIP.

GUERRILLA HIDEOUTS DISCOVERED IN ANZOATEGUI

PA301743Y Caracas EL UNIVERSAL in Spanish 24 Oct 78 p 1 PA

[Text] Barcelona, Venezuela, 23 Oct (INAAC)--Agents of the Directorate of Intelligence and Prevention Services (DISIP) have discovered 10 guerrilla hideouts in the localities of Caico Seco and El Caracol located in a mountainous area a few kilometers from this city in the south of Anzoategui State. An official spokesman questioned by this reporter said that the hideouts were Vietnamese-type caves [del tipo Vietnamita].

[Question] What was inside the caves?

[Answer] We found rifles and sidearms as well as a large amount of food such as spaghetti, macaroni and noodles.

It was reported that the hideouts were camouflaged with tree branches.

ARGENTINA'S BEAGLE CHANNEL POSITION PUBLICIZED

PA280451Y Buenos Aires LATIN in Spanish 2319 GMT 27 Oct 78 PA

[Text] Caracas, 27 Oct (LATIN)--Argentine Ambassador Federico Barttfeld met with the acting foreign minister, the defense minister and other Venezuelan authorities to brief them on Argentina's border dispute with Chile. A statement was made by the Argentine Embassy this afternoon. The embassy submitted to this news agency a summary of the agreements reached in the negotiations with Chile on the demarcation of sovereignty at the southern tip of the continent.

The document was accompanied by a declaration of nullity issued by the Argentine Government on the arbitration decision which awarded three islands in the Beagle Channel to Chile and the "Agreement of Puerto Montt" dated 20 February 1978. The latter document was signed by Presidents Jorge Rafael Videla and Augusto Pinochet. The embassy also attached a list of 10 instances of military preparations conducted by the Chilean Armed Forces.

MAGAZINE REPORTS EXISTENCE OF NEW GUERRILLA GROUP

PA281553Y Paris AFP in Spanish 0310 GMT 28 Oct 78 PA

[Text] Mexico City, 27 Oct (AFP)--The weekly magazine REVISTA DE REVISTAS revealed today the existence of a guerrilla group operating in the Sierra Madre in Mexico, with headquarters in Oaxaca State in the southeastern part of the country. The new organization is believed to be a continuation of the Lucio Cabanas group. Lucio Cabanas, a school teacher killed in 1974, for several years led a guerrilla group which operated in the same mountain range in the states of Guerrero and Oaxaca. Since Cabanas was killed by the army, there had been no reports on the existence of a similar rebel movement in the Sierra Madre.

According to REVISTA DE REVISTAS, the group is led by 35-year-old Florencio Medrano, who said he received ideological and military training for 6 months in the PRC. The new group calls itself the United Proletarian Party of Mexico and says that it believes a prolonged people's struggle is fundamental in eliminating semifeudalism and semicolonialism from the country. Medrano told the REVISTA DE REVISTAS reporter that the party was being clandestinely organized for the past 4 years and that it has members in 8 other states. Most of its members are Indian peasants who hardly speak Spanish, Medrano pointed out.

For the time being, the group is avoiding all armed clashes because it is not the best thing for the movement, Medrano indicated, adding: "We are organizing the popular liberation army." He said that dividing into cells [foquismo] and terrorism are not part of the group's tactics. On the other hand, the authorities claim that neither Medrano nor his followers are political guerrillas and accuse them of being mere bandits. A security officer from an army detachment stationed in the zone where the guerrillas are operating said: "They are wanted for assaulting, kidnaping and murdering ranchers in the region." The same officer added that the rural area where Medrano and his gang are operating is not fertile soil for antigovernment guerrilla movements. However, REVISTA DE REVISTAS, a magazine published by the newspaper EXCELSIOR of the center left, shows photographs in which the guerrilla leader is surrounded by peasants in what seems to be a training camp in the mountains.

CHICANO GROUP JOINS SANDINISTS IN NICARAGUA

PA280420Y Madrid EFE in Spanish 2315 GMT 27 Oct 78 PA

[Text] Mexico City, 27 Oct (EFE)--The newspaper ULTIMAS NOTICIAS said today that a group of 56 Mexican-Americans has joined the guerrilla forces of the Sandinist National Liberation Front. According to the paper, 56 Americans of Mexican descent, "Chicanos", said 15 days ago in the city of Tuxtla Gutierrez that they were going to Nicaragua to join the anti-Somoza guerrillas. The group includes five women and their leader, who asked to be identified as "Danny", added the newspaper's correspondent in that city, 1,050 km southeast of Mexico City, close to the Guatemalan border. ULTIMAS NOTICIAS said that the guerrillas were purchasing supplies in Tuxtla Gutierrez before leaving for Nicaragua. They agreed to be interviewed on the condition that their presence be revealed only 5 days after the interview. "We all respect the sovereignty of Mexico, but we disagree with the tyranny that exists in Nicaragua and elsewhere in Central America," said "Danny" to the paper.

LOPEZ-PORTILLO ARRIVES IN TOKYO; MEETS FUKUDA, EMPEROR

For reportage on the visit to Japan of President Jose Lopez-Portillo, see the Japan section of the 30 October and subsequent issues of the Asia & Pacific DAILY REPORT.

CATHOLIC, PRIVATE SCHOOLS AGREE ON RESUMPTION OF CLASSES

PA310707Y Panama City Televisora Nacional in Spanish 2315 GMT 30 Oct 78 PA

[Text] Catholic school directors in the country have called for the resumption of classe starting tomorrow, Tuesday, and said that in order to recover the lost time they will hold classes on November 1 and 2. In a statement signed by Father Carmelo Gorrichategui, who heads the Catholic School Federation, and by Brother Antonio Pascual, vice president of the federation, Sister Maria Ruth Gonzalez, Sor Clara Isabel de Mena, Sister (?Losan Tivic), Father Jesus Garcia and Brother Juan Rilova--all members of the federations' board of directors, they indicate they have closely followed the dialog between the teachers and the education minister and acknowledge the positive and constructive attitude that has prevailed during all the debates.

Panama's Catholic School Federation said it is pleased because the teachers, both government and private, have obtained, at least in principle, most of their professional demands. In its final appeal the federation's board says it has arrived at the conclusion that both parties have reached reasonable agreementa adjusted to national realities and therefore they are calling all teachers and students to return to class in all Catholic schools tomorrow, Tuesday, 31 October, at the regular hour.

Meanwhile, the private school teachers meeting in an assembly of delegates announced the approval of an agreement negotiated by the teachers and the government. It should be signed tomorrow at 0800 by Education Minister Gustavo Garcia de Paredes and representatives of private and government school teachers.

Regarding the return to class, the private school teachers approved by majority vote a return to classes on 1 November whether the agreement is signed or not. The meeting of delegates of private schools, including representatives of Catholic schools, took place at the Javier School bymnasium.

The agreement negotiated with the government was put to a vote and approved by most of the private school delegates. Returning later to classes on Wednesday, 1 November--whether the document is signed or not--was approved.

Most of the private school delegates met this morning to discuss the agreements reached with the national government and to give an official decision at the Colegio Javier meeting. At this meeting the situation of the Catholic schools was discussed. The directors had called for a return to classes starting tomorrow, 31 October, and it was decided to accept the majority decision which meant returning to classes on 1 November after the signing of the document.

Meanwhile, the consensus at the teachers meeting at the Republica de Venezuela School was to return to classes on Monday 6 November. However, whatever is decided will be officially announced tonight at a plenary meeting held at the National Institute gymnasium.

PRESIDENT, COUNCIL OF STATE DISCUSS AUSTERITY MEASURES

PA280012Y Panama City LA ESTRELLA DE PANAMA in Spanish 27 Oct 78 pp 1, 28 PA

[Text] "The austerity measures adopted by the national government in no way mean inactivity, ineffectiveness or keeping the 'status quo' in the administration. Rather, they mean that the fulfillment of the country's collective needs should improve with existing resources," Vice President Ricardo de La Espriella told the members of the General Council of State yesterday during a meeting held under the chairmanship of His Excellency President Dr Aristides Royo.

During the meeting President Royo presented the austerity measures adopted to rationalize government spending that he had announced to the public. He said that these will not be the only measures since others will be implemented to reach his objectives. He also asked each government sector to demonstrate initiative in adopting the measures necessary to save money in their respective agencies.

The members of the Council of State--composed of the Presidency of the Republic, ministers and deputy ministers of state, the Supreme Court of Justice, the National Assembly of Corregimiento Representatives, the Electoral Tribunal, autonomous bodies and semiautonomous organizations--said that the measures will be faithfully carried out and that in some cases action has been taken so that each official will have specific functions. This will insure an honest administration that is more consistent with the economic realities of the country.

Planning and Economic Policy Ministry officials explained and analyzed the government's current financial and fiscal situation for the audience. The General Council of State expressed unanimous agreement that there should be close cooperation among the executive, legislative and judicial branches. In this connection, distinguished Representative Victor Corrales, president of the National Assembly of Corregimiento Representatives, noted the need for cooperation and coordination to be conducted at all levels of the administration in order to improve the work of the government and effectively deal with the social needs of the nation. The General Council of State meeting began in the Presidential Palace at 0900 and lasted until 1330.

NEW OLADE SECRETARY MEETS PRESIDENT ROYO

PA280443Y Paris AFP in Spanish 2257 GMT 27 Oct 78 PA

[Text] Panama City, 27 Oct (AFP)--Panama City will be the site in early May of next year of the 10th meeting of the Latin American Energy Organization (OLADE), Mexican Gustavo Rodriguez Elizarraras, the new secretary general of the organization, announced here today. Rodriguez Elizarraras, who will take office next Monday in Quito, Ecuador, met with Panamanian President Aristides Royo this morning. The Mexican energy specialist stated that he discussed with Panamanian officials the possibility of establishing a pilot solar energy center and headquarters for an OLADE financial body in Panama.

LABOR MINISTER MEETS WITH CONEP REPRESENTATIVES

PA302357Y Panama City Circuito RPC Television in Spanish 1800 GMT 30 Oct 78 PA

[Text] Labor Minister Oyden Ortega met this morning in his office with a group of representatives from the National Council of Private Enterprise [CONEP] headed by Vladimir de la Rosa. In a wide-ranging, friendly talk, the labor minister told the Panamanian businessmen that this first meeting with such a representative group was consistent with the guidelines set by the president of the republic, Dr Aristides Royo, regarding an effective, positive and harmonious rapprochement between the government and all the sectors of the country, primarily private enterprise. For their part, the business executives told the labor minister that they are aware of the country's current economic situation and the need to consolidate production and investment in harmonious cooperation with the present government.

Minister Ortega was accompanied by Labor Vice Minister Rolando Anguizola, while private enterprise was represented--in addition to President de la Rosa--by Alfonso Herrera y Franco, Dario Selles, Ignacio Mayiol, Antonio (Dupro), Mario Rognoni, Maximo Martin, Jaime Pazmino, Arturo Arauz, Aurelio Barria, Mr (Durlin) and Miriam Barucc.

## COSTA RICA

### JAILED SANDINISTS DECLARE HUNGER STRIKE

PA301456Y San Jose Radio Reloj in Spanish 1200 GMT 30 Oct 78 PA

[Text] A group of Sandinist guerrillas being held at the police post in Heredia have asked the press to intervene in their favor. They charge that the post commander has been mistreating them.

We are sick and locked up in common cells as if we were criminals. We do not know when we will be released or sent out of the country, they said. The Sandinists have declared a hunger strike to protest the mistreatment they are receiving from the Heredia commander. We hope the press will cooperate soon so that we will be taken out of these inadequate cells into which we have been thrown like dogs, the Sandinists said.

### CIVIL GUARD EVICTS SQUATTERS FROM PRIVATE ESTATE

PA271420Y San Jose Radio Reloj in Spanish 1200 GMT 27 Oct 78 PA

[Text] Over 30 peasants, including 15 women and several children, who had occupied land on the Montezuma estate at (Rio Naranjo de las Garzas) were evicted and imprisoned. They were evicted by the Civil Guard on the orders of the judge in Canas. When the peasants were evicted from the homes which they have occupied for over 1 year, the houses were burned.

### Criticism From Labor Group

PA302346Y San Jose Radio Reloj in Spanish 1730 GMT 30 Oct 78 PA

[Text] The Confederation of Costa Rican Workers [Confederacion de Trabajadores Costarricenses--CTC] has denounced the government's weak agrarian policy. According to union leader and CTC Secretary General (Alsimiro) Herrera, the situation in (Rio Naranjo de Garzas) as a result of the eviction of squatters is becoming serious. Over 100 of these squatters have been evicted by rural guards, who have even burned down their houses. The labor leader also claims that tractors have been used to destroy the peasants' crops. There are now nearly 35 homeless families, including men, women and children in the city of Canas [words indistinct] and shelter, the CTC leader has indicated.

All that is taking place in (Rio Naranjo de Garzas) is the result of the weak agrarian policy of the current administration, said the CTC secretary general in reference to the eviction of squatters from that area. He said negotiations are currently underway with the (IRCO) authorities, the Legislative Assembly deputies, the security minister, the (IMAS), and the governor's office in an attempt to find an urgent solution to this problem and to provide housing, food and shelter for these families.

### COMMUNICATIONS, COMPUTER CENTERS INAUGURATED

PA302155Y San Jose Radio Reloj in Spanish 1730 GMT 30 Oct 78 PA

[Text] This morning President Rodrigo Carazo inaugurated the national communications system and the public security computer center. Regarding communications, modern equipment has been installed that will serve the entire country 24 hours a day. The computer center will be used by police, immigration authorities and several other public agencies in an attempt to improve their control systems.

Along with the radio communications system covering the entire country via 11 relay stations, a national radio and television control system was also inaugurated. Aside from the booths and monitoring equipment, the national radio and television control system also has a duly equipped mobile unit to monitor transmissions of commercial radio and television stations and of ham radio operators.

According to Minister Juan Jose Echeverria Brealey, the government's entire communications system seeks to serve the community. The communications system is so efficient that communication can be established between a mobile unit on Central Avenue and any of the country's most distant points. Anyone who needs to establish communication anywhere the country can apply to the Civil Guard's radiocommunication posts.

For its part, the computer center, which cost a total of 20 million colones, will help to modernize the police control systems. Aside from controls in connection with passports, entrance of foreigners, records of departures from the country and obstacles to departures, it will also include police control. This modern equipment includes a microfilm system that will record 70,000 entries from the archives of the judicial investigation offices. These entries will include photographs, fingerprints, criminal records and other information.

## GUATEMALA

### GUERRILLAS TEMPORARILY OCCUPY NORTHERN TOWN

PA301618Y Buenos Aires LATIN in Spanish 1519 GMT 30 Oct 78 PA

[Text] Guatemala City, 30 Oct (LATIN)--About 50 well-armed men have occupied the town of San Ramon, Barillas jurisdiction, Huehuetenango Department, near the Mexican border, authorities reported here today. According to the police report, the subversives arrived in San Ramon in several cars. Without firing a single shot they took over the town where they stayed for over 1 hour, haranguing its 5,000 inhabitants. Twelve days ago a similar group took over the town of Fraijanes, 28 km east of Guatemala City, and killed 3 policemen.

The police did not say whether there were any government representatives in San Ramon; nor did they say if any operation was staged to find the intruders, possibly members of the Poor People's Guerrilla Army (EGP). The occupation occurred on Saturday morning.

### OPPOSITION GROUPS SEEK TALKS TO SETTLE DIFFERENCES

PA310406Y Panama City ACAN in Spanish 2115 GMT 30 Oct 78 PA

[Text] Guatemala City, 30 Oct (ACAN-EFE)--Moderate leftist sectors and the anticommunist sector were today openly searching for a confrontation across the negotiating table. The search for talks as a method to settle ideological and political differences is taking place at the same time as a resurgence of markedly political violence. Just today the police reported the discovery of more bodies of men who were tortured prior to being shot. In the last 72 hours clandestine groups executing persons who are considered ideological enemies have killed 20 persons.

At the same time it has become more evident that the largest political sectors want to hold talks. The "broad front," with its top representative, Guatemalan Vice President Francisco Villagran Kramer today agreed to sit down at the negotiating table to settle philosophical and political differences with its strongest opponent, the anticommunist National Liberation Movement [MLN].

The "invitation" was made by MLN deputy Jorge Torres Ocampo, a professional lawyer. Similar expressions were made previously, however, by Alfredo Lopez and Lionel Sisneiga Otero, also MLN deputies, chief of the MLN deputy bloc and public relations director respectively. It is expected here, as previously affirmed by Villagran Kramer, that the talks will be public and open to other legal political bodies and that they will begin soon.

## HONDURAS

### WORKERS FIRED FOR SUPPORTING 'LEFTIST IDEAS'

PA301952Y Panama City ACAN in Spanish 1816 GMT 30 Oct 78 PA

[Text] Tegucigalpa, 30 Oct (ACAN-EFE)--The Honduran military government's Culture and Tourism Secretariac today ordered the dismissal of 15 workers on the grounds that they support leftist ideas "foreign to the democratic system." The workers deny the charges and have requested labor benefits for their services to the military regime.

Secretary of Culture and Tourism Armando Alvarez, who is a brother of an influential army officer, had already threatened the workers with dismissal for "disseminating subversive ideas in popular art programs in rural zones." Hermes Bertrand Anduray, under secretary of the ministry, said he found "Marxist literature" in the halls where the employees worked. The official claimed that the alleged communists were not meeting the objectives outlined by the military government in relation to the government's programs for the development of art in rural areas.

The former state workers say they are surprised by Bertrand Anduray's attitude, since until recently he had progressive ideas. Denying the charges against them, the dismissed workers said the true problem is that the top officials of the Culture and Tourism Secretariat "are chronically incompetent and retain their jobs only because they have been recommended by influential military." They also emphasize that their dismissal is totally unjustified because, even if the accusations are true, the officials are violating the constitution of the republic, which stipulates that no one may be harassed because of his political ideas.

## NICARAGUA

### FSLN ROBS BANK IN SANTO TOMAS 30 OCTOBER

PA310046Y Panama City ACAN in Spanish 1927 GMT 30 Oct 78 PA

[Excerpt] Managua, 30 Oct (ACAN-EFE)--Four youths armed with revolvers this morning held up a "Banco de America" branch in Santo Tomas, Chontales Department, in central Nicaragua. Newspaper reports said that the attackers took the bank branch manager hostage and released him after they escaped. The four youths are reportedly members of the Sandinist National Liberation Front [FSLN] whose cells have been recovering the people's money through this type of action in different cities of the country. The amount of money stolen has not been disclosed.

### FOUR ARRESTED FOR ATTACK ON NIDIRI NATIONAL GUARD

PA301903Y Managua Domestic Service in Spanish 1800 GMT 30 Oct 78 PA

[Excerpt] Military sources report that four persons are under arrest in the Masaya military post. The arrests are presumably connected with the killing of three National Guardsmen who were shot at the entrance of Nidiri by several men who arrived in a taxi.

The National Guardsmen who were killed in this cowardly fashion were Arturo Gomez, Celso Garcia and Emilio Lopez.

Gen Fermin Meneses Gallo said the four persons were arrested after an operation in the attack area. Those arrested are: Wilfredo Obando, Milton Leonel Putoy, Bosco Edmundo Gaitan and Denis Espinoza. Also under arrest is Julio Cuadra, the driver of taxi No 2441. General Meneses Gallo noted that he went to the command and said he had been held up by several men. According to the taxi driver, he was attacked near the Guadalajara movie house by three individuals who said they belonged to the Sandinist National Liberation Front. The terrorists tied him up and left him by the side of the road at the Masaya exit. He said he was left there after having been taken to other places.

All those arrested are being interrogated. Command sources say that the arrests of the four men are for investigation purposes and that no formal charges have been filed against them. They are all from Masaya and live in different neighborhoods there.

GOVERNMENT APPOINTS PLN COMMISSION TO HELP MEDIATION

PA270438Y Managua Domestic Service in Spanish 0345 GMT 27 Oct 78 PA

[Communique issued by Press and Information Secretariat of Presidency on 26 October]

[Text] The Press and Information Secretariat of the Presidency of the Republic hereby notifies Nicaraguan citizens that a commission of the Nationalist Liberal Party [PLN] has been created. It is made up of Julio C. Quintana Villanueva, party representative for Leon Department; Orlando Montenegro Medrano, delegate from Managua Department to the party's national and legal board; and Alceo Tablada Solis, national and legal board secretary. The purpose of the commission is to search jointly with the international commission of friendly cooperation made up of representatives from the Dominican Republic, Guatemala and the United States, for formulas that will permit a peaceful and democratic solution to Nicaragua's present political situation by examining, among others, the document presented by the so-called Broad Opposition Front.

[Signed] Rafael O. Cano, secretary of Press and Information Secretariat of the Presidency of the Republic

Havana Reports on Mediation

FL271051Y Havana Domestic Service in Spanish 1030 GMT 27 Oct 78 FL

[Text] The mediation commission--composed of representatives of the United States, Guatemala and the Dominican Republic--which is intervening in the Nicaraguan crisis, has delivered to the dictator Anastasio Somoza a Broad Opposition Front [FAO] document known as the plan of government. Following the Group of 12's withdrawal from the FAO, the remaining FAO members continued negotiations with the commission led by the United States and drafted the aforementioned plan. The plan includes a demand for the immediate retirement of Somoza and his relatives.

The Group of 12, through seven of its members who have taken asylum in the Mexican Embassy in Managua, asserted that the mediation has become a North American intervention and that Somoza has made a promise to the opposition unworthy of trust. The group reaffirmed its full support for the Nicaraguan Sandinist National Liberation Front. It also asserted that the plan proposed to the dictator does not include matters indispensable to achieving peace with justice in Nicaragua such as an in-depth reorganization of the National Guard, dismantling of the ruling Liberal Party and expropriation of the assets which the Somoza family has immorally acquired.

AFP reports that a press poll has revealed that the population supports the Group of 12's proposals. Meanwhile, it has been announced that the Nicaraguan dictator will hold a press conference tomorrow to discuss the document delivered to him by the mediation commission.

OPPOSITION FRONT MEMBER EXPLAINS RESIGNATION

PA282240Y San Jose Radio Reloj in Spanish 1730 GMT 28 Oct 78 PA

[Interview with Roberto Arguello Hurtado, member of the Advisory Committee of the Broad Opposition Front, given in Managua to Radio Reloj reporter; date not given--recorded]

[Text] [Question indistinct]

[Answer] My reasons for resigning resulted from the problems created when the Group of 12 withdrew from the mediation which no longer had the moral support of all Nicaraguan sectors. Instead, it was disrupted by the withdrawal of that powerful group which represents a large force in Nicaragua. Therefore, we decided that the solutions reached during this mediation would not have national approval and would not comprehensively solve the country's problems. We believe that only partial solutions will result from mediation.

[Question] Dr Roberto Arguello, specifically, what are the irregularities that you see in the Broad Opposition Front [FAO] mediating commission which caused the Group of 12 to withdraw?

[Answer] Mainly the fact that the opposition is no longer fully represented in mediation and that it would be incomplete because it does not have the full support of the Nicaraguan people. This is my opinion. If all the Nicaraguan people are not represented in the mediation, nothing beneficial for Nicaragua's peace will come out of it.

[Question] In your opinion what will be the outcome of this mediating commission in the Nicaraguan conflict?

[Answer] I do not doubt that people participating in the mediation are honest and that they are acting in good faith. They probably will continue the conversations until they realize what can come out of it. We still must wait for the proposal from the government representatives--the Somozist Liberal Party--who still must submit some proposals which probably will request that mediation be continued. I believe that the mediation will not end.

[Question] What are you and Reinaldo Antonio Tesel going to do now that you have withdrawn from the advisory committee, especially since the Nicaraguan problem continues? Are you going to participate in any specific activity to solve the problem?

[Answer] The Nicaraguan problem is already a very complex problem. It is no longer a problem of the Nicaraguan people. It is a problem of Central America and Latin America which I believe concerns international public opinion. It is also a problem that deeply concerns the United States. People are following these developments because President Carter's human rights policy is at stake. The Nicaraguan people must find their own national solutions. This is precisely what they are doing.

[Question] Now that you mention the United States, it has been said recently that the United States is one of the parties in the FAO [as heard] mediating commission and therefore the Group of 12 has withdrawn. What can you say about this?

[Answer] As a matter of fact the OAS is (?represented) by three governments. The mediators actually represent not the OAS, but their respective governments. The mediators are: the president of the commission, who is from the Dominican Republic, and representatives from Guatemala and the United States. They say it is a matter of friendly cooperation to solve the Nicaraguan situation.

[Question] What do you think of this problem which has attained universal importance? Do you think that the FSLN will launch an offensive to try to solve this problem in the near future?

[Answer] The FSLN is part of our national reality. I do not know what attitude they will assume, but they are part of our national reality and I believe that if they are not included in the national solution, a government cannot be installed in Nicaragua with the support needed to rebuild the country.

CONSERVATIVE LEADER SEES '12' WITHDRAWAL AS U.S. DEFEAT

PA310546Y Panama City ACAN in Spanish 2045 GMT 30 Oct 78 PA

[Excerpts] Managua, 30 Oct (ACAN-EFE)--The withdrawal of the Group of 12 from the "Broad Opposition Front" (FAO), has meant a defeat for U.S. diplomacy, conservative leader Emilio Alvarez Montalvan said here today. In statements to radio newscaster Oscar Leonardo Montalvan, the opposition politician said the United States had used the facilities made available by the OAS and its position as member of the international mediating commission in the Nicaraguan political crisis to bring all the opposition groups together to participate in the mediation.

According to Alvarez Montalvan, the Nicaraguan opposition has lost an important group of opponents to the regime with the inopportune withdrawal of the 12, but on the other hand it will serve to pressure the FAO leadership into easing the basic demands contained in its official proposal presented last week for mediation.

Alvarez Montalvan said that the 12 had never clearly defined whom they represent in the opposition. The "tertiary" faction of the FSLN had accepted them as their representatives, but the 12 never acknowledged this representation. The tertiary faction seems to represent the more radical position within the Sandinist Front which asserts that action is imperative and it is useless to wait longer to overthrow Somoza, Alvarez Montalvan said.

He expalined that his position is more in tune with reality and the character of the Nicaraguans than the positions of the "prolonged people's war," and the proletarian intellectual Marxist faction. He believes that the 12, in spite of having gone into exile, have not withdrawn completely and that they will return to the ranks of the organized opposition once it has established some of its basic principles in its outline for a democratic regime in Nicaragua--"that is, if Somoza resigns and leaves."

COMMENTARY CONDEMNS GROUP OF 12, CRITICIZES FOREIGN MEDDLING

PA280430Y Managua Domestic Service in Spanish 2355 GMT 27 Oct 78 PA

[Unattributed commentary]

[Text] Political circles have suggested that if the international communist elements who were armed and abetted by governments such as the Carlos Andres Perez and Omar Torrijos administrations thought they would have the support of the democratic sectors which could be used as useful fools, they were completely mistaken.

The Nicaraguan people want to continue living their political life within a democratic framework. This has been demonstrated by the emphatic rejection that the Broad Opposition Front sectors delivered to the Group of 12, a weird mixture of intellectuals, (?executives) and wornout businessmen who are at the service of the country's enemies. Time more than anything else will show the bellicose individuals who sought asylum at the Mexican Embassy that they, along with their bloody slogans, have no place in the life of our people.

We want to live in peace here, educate our children in peace and live in a democracy. There is no room for sociopaths, civil warmongers, or those who now bear on their conscience the blood shed by so many inexperienced youth who were provided with weapons while they remained secure abroad. An entire nation cannot be deceived. Those who caused the tragedies that have taken place have been stigmatized. History will confirm the verdict that the people have already passed.

CARDENAL DENIES CUBA MODEL FOR SANDINISTS

PA300330Y Madrid EFE in Spanish 0225 GMT 30 Oct 78 PA

[Excerpt] Lima, 29 Oct (EFE)--Nicaraguan priest and poet Ernesto Cardenal said here today that the Sandinist Front does not want to establish "a second Cuba in Nicaragua," but a revolutionary Nicaragua without Somoza.

Interviewed on the Lima television program "Contacto Directo," Cardenal said that the people of each nation must make their "own revolution" without trying to copy others since "revolutions are not duplicated." He added that the Sandinists want to create "the first Nicaragua" and not reproduce the revolutionary experience of another nation. Nevertheless, Cardenal said that "there is only one Latin America, and that is Che Guevara's fatherland."

Asked in which role he felt most fulfilled--whether as poet, priest or political militant--he said a "Latin American revolutionary." Ernesto Cardenal said that workers, peasants, professionals, the Nicaraguan bourgeoisie and even children of millionaires are fighting for the Sandinist cause.

The political activist arrived in Lima today at the invitation of the Peruvian Committee for Solidarity with Nicaragua and several Marxist groups whose leaders met him at the airport. In his initial statements Cardenal said that the OAS negotiating commission is trying to impose "Somozism without Somoza" in his country and that this is a formula of "U.S. imperialism." The Sandinist representative said that "Commander Cero" was going to come to Lima with him.

The author of the book "In Cuba," which praises that country's regime, categorically denied that Fidel Castro is supporting the revolution in Nicaragua. He commented that he has met with the Cuban chief of state several times, including recently.

COMMANDER OF PANAMANIAN BRIGADE GIVES INTERVIEW

PA271614Y Panama City Cadena Exitosa in Spanish 1255 GMT 27 Oct 78 PA

[Unidentified Colombian newsman's interview with Dr Hugo Spadafora, chief of Victoriano Lorenzo Brigade, at a Sandinist camp somewhere in Nicaragua--recorded]

[Text] [Question] When the group was formed and left Panama it consisted of some 200 persons. Now that you are in Nicaraguan territory and are preparing for combat (?there are fewer). Why are there fewer now than at the beginning?

[Answer] Actually, initially close to 300 persons were recruited and approximately 75 are left. We realize that this reduction, which was somewhat drastic, was caused by various factors.

In the first place, many of our comrades who joined the group definitely did not meet the physical, psychological, family and other requirements. Therefore, in the course of the training, one or another of these difficulties faced by some of the volunteers became evident. On the other hand, we acknowledge that the training was excessively rigorous in some respects. However, the aim was to guarantee the success of the first contingent. This means that once we had joined the Sandinist movement, as we have recently done, we could facilitate the integration of other volunteers who join later.

I repeat that initially we had to be strict in our selection in order to guarantee that the initial group could serve as a spearhead for the entry of other Panamanians, who will not necessarily have to submit to the same rigorous training as the first group. In short, we trust that this group of 75 will grow, gradually or rapidly as circumstances permit, and that we will have a group of 150 to 200 Panamanians who are duly integrated and trained for the struggle.

[Question] On the other hand, Comrade Spadafora, in other countries there are committees of solidarity or other groups that want to do what you achieved rapidly--to join the Sandinist movement. What do you think of this?

[Answer] We are aware that in the case of the Panamanian brigade, the Victoriano Brigade, there were certain favorable circumstances. For example, the closeness to Nicaragua, and--we can say it openly--a certain benevolence on the part of our government which, although it never officially supported us, did not stop us or put insurmountable obstacles in our way. Of course we had to operate within the natural limitations on actions of this type, but there was definitely no attempt by the government to stop us.

Therefore, we see our action as being in line with the best Latin American traditions. This is easily understandable, particularly by you, the sons of Gran Colombia, where the struggle for independence was characterized by concrete demonstrations of solidarity by Latin American brothers and even brothers from other countries. We know that among Bolivar's most valuable aides were Europeans and that there were never any distinctions drawn between Venezuelans or Colombians. In fact the greatest citizen of Gran Colombia was born in Caracas, not in Bogota.

We Panamanians contributed a contingent commanded by Gen Tomas Herrera to the struggle in the battle of Ayacucho. That is why I say that you will not find our action difficult to understand. What is worth discussing is how you are going to respond to the aspirations of the many youths who want to come to Nicaragua to do their part. It is definitely a challenge and I very respectfully urge those Colombians who, one way or another, can do so and have the organizational and political ability to do so, to make the effort [and] also contribute [by recruiting] a good number of Colombians who are worthy and prepared to fight for this noble cause.

[Question] Definitely, this seems to be a struggle that is not limited solely to the Nicaraguans. Something much more important is at stake here. It involves a political process that is very advanced in Latin America: A Latin American movement to free the people from dictatorships. I think that this is at stake at this time. What do you think?

[Answer] Yes, I agree. Naturally, you will agree with me that it would be naive to believe that as soon as Somoza falls, so will all of the dictatorships in Latin America.

However, the fall of Somoza definitely would open a new chapter in Latin America because if there is a dictatorship, a form of tyranny that reflects all the horrors, all the negative characteristics of a Latin American dictatorship, it is the tyranny of Somoza. To defeat Somoza now is to reaffirm an anti-imperialist principle. It is a known fact that the Somoza dictatorship was imposed by foreign forces and maintained by them, whether it was done economically or militarily.

Moreover, for Somoza to be overthrown by popular forces would be a warning to all those forces on the continent which, one way or another, are plotting or will plot in the future to repress our people's advance toward progress.

We agree, then, that it is a Latin American duty to defeat Somoza.

[Question] Regarding the practical problem, what is your opinion of the coming offensive that is being readied and has the support of the Nicaraguan people, as I have observed in several Nicaraguan cities, including Managua? What do you think of the chances of this new offensive?

[Answer] I prefer not to comment on the purely military aspects. We are committed, as we have said, politically and militarily to the Sandinist Front. What I can say with all honesty and with full certainty is that triumph will come to the anti-Somozist forces, particularly the Sandinist Front which is in the vanguard. In the short time that I have spent with the Sandinists I have become convinced that they have--we have, because they are also our leaders--a political and military leadership which leaves nothing to be desired, particularly in the commander in chief, Commander Cero, Eden Pastora, and other members of the political leadership who guarantee that we will be successful, in one, two or as many offensives as may be needed.

I am therefore convinced that we are in good hands, that we have individuals with steady nerves who are prepared to take us to victory.

I believe that not only is the Sandinist Front trained--and it is going to continue its military training--but also, and most important, the leading class of Nicaragua, the future leading class which will have to take up the reins of power in Nicaragua, is well prepared. This challenges the propaganda which Somoza has falsely been disseminating that if he left, there would be a power vacuum and chaos; a power vacuum and political chaos in the country. This is slander which is being skillfully wielded by him and which reveals itself as such as soon as one seriously examines it.

CASTRO SENDS GREETINGS TO ALGERIAN PRESIDENT BOUMEDIENE

LD310028Y Algiers Domestic Service in Arabic 2300 GMT 30 Oct 78 LD

[Text] On the occasion of the anniversary of the revolution, President Boumediene received a congratulatory cable from Fidel Castro, president of the Councils of State and Ministers of the Republic of Cuba, in which he expressed the congratulations of the Cuban Government and people to the Algerian people and their leaders. He also saluted the successes achieved by the Algerian people in economic and social development. President Fidel Castro expressed the will of the Cuban Government to continue to further deepen and develop the friendship and cooperation between the Algerian and the Cuban peoples.

FEU PRESIDENT SPEAKS OF STUDENT HONESTY

FL301130Y Havana Domestic Service in Spanish 1100 GMT 30 Oct 78 FL

[Text] Commander in Chief Fidel Castro has been elected guest of honor to the First Congress of the Federation of University Students [FEU], which will be held in May 1979. This was agreed to by more than 400 delegates who participated in the Havana City FEU provincial assembly meeting, which held work sessions on 28 and 29 October.

Carlos Lage, president of the FEU national council, who made the closing remarks at the provincial conference, stated that it will be necessary to raise the level of self-sacrifice and criticism of deficiencies among the university student body. Lage recalled Fidel's speech at the inauguration of the Federico Engels Vocational School, in which he referred to the very great need for eradicating fraud and working to improve students' habits and discipline. He said that the ongoing national process of reforms in university classrooms is a firm and energetic response to Fidel's proposals.

The Havana City FEU assembly meeting elected Nancy Martinez as president of the organization. In response to questions posed by newsmen, Nancy said that her election represents a great responsibility. It is necessary, she said, that the FEU raises to higher levels the commitments that have been made and make the first congress' structural process a truly democratic and mass effort. The FEU assembly meeting's main characteristic was the active participation of the delegates in the process of efforts assessment. The closing ceremony was chaired by Paul Rodriguez, second secretary of the Havana City party, and Julio R. Demus, member of the National Committee of the Union of Young Communists, among others. Fidel's statement "to make greater efforts, to always work toward being better students, better revolutionaries" was the watchword at the meeting of the FEU students.

SUGAR INDUSTRY MINISTER NOTES ENERGY CONSUMPTION

FL301340Y Havana Domestic Service in Spanish 1145 GMT 30 Oct 78 FL

[Text] Sugar Industry Minister Marcos Lage has stated that the most decisive factor in the sugar industry's technical development in coming years will be the reduction of energy consumption in the production process. In a speech at the closing session of the sixth national meeting of sugar production chiefs, which concluded last Saturday, Lage referred in great detail to more adequate ways in which to promote the programs directed at solving energy problems being faced by the sugar industry.

During the meeting 22 technological proposals for the 1979 sugar harvest were adopted. Referring to this harvest, Lage said that it will be bigger than the last one.

The sugar industry minister also noted that, with the exception of special adverse conditions, such as flooded canefields due to heavy rains, harvest starting tasks must be fulfilled because we cannot afford to expect better conditions, that is, to wait for more favorable weather which might not come or arrive too late.

On another matter, the Livestock-Agricultural Workers Trade Union has been given strong support in its organizing phase and pregrinding pledges aimed at having not less than 80 percent of the brigades of permanent canecutters cutting 1 million arrobas of cane or more. With respect to this, the secretary general of our country's biggest trade union, Rene Penalver, stated: We are sure we will surpass the results achieved in the previous harvest when 60 percent of the groups were able to attain the status of "millionaires." The progressive development of the sugar harvest makes it necessary for all elements participating in the agro-industrial process to give the best of their efforts to this task.

CEMA CHEMICAL INDUSTRY MEETING OPENS IN HAVANA

FL301900Y Havana Domestic Television Service in Spanish 1800 GMT 30 Oct 78 FL

[Text] The 53d meeting of the CEMA permanent commission for the chemical industry began approximately 2 hours ago at the Havana Libre Hotel. This type of meeting is being held in Cuba for the first time and is being attended by representatives from Poland, Hungary, Romania, Cuba, the Soviet Union, Czechoslovakia, the GDR and Vietnam. The opening remarks were made by GDR Chemical Industry Minister Guenther Wyschofsky, who is also chairman of the CEMA permanent commission for the chemical industry. Sitting at the presidium were PCC Central Committee and Council of Ministers Vice President Joel Chaveco as well as PCC Central Committee members Hector Rodriguez Llompart and Anibal Velaz Suarez, minister president of the State Committee for Economic Cooperation and minister of the fishing industry, respectively. The Cuban delegation to the meeting is headed by Chemical Industry Minister Antonio Esquivel.

During the working sessions of this meeting important long-term cooperative programs will be discussed. Hector Rodriguez Llompart made the opening speech for the Cuban side. [Begin recording] Comrades who represent CEMA member nations in this 53d meeting: This meeting is of particular significance if we note that it is the first time it takes place on the American Continent. The coordinated plans of multilateral measures aimed at integrating CEMA member countries for the period 1976-1980 [words indistinct] a success in the planned tasks for socialist and communist building, which increases its economic potential. In contrast with the successful activity of the socialist countries' economies, the standstill of the capitalist economy and inflation, which are harming the working masses, become evident and manifest themselves as an increasingly unmanageable tendency. [end recording] The 53d meeting of the CEMA permanent commission for the chemical industry will hold working sessions until 3 November.

CARNEADO MEETS WITH CZECHOSLOVAK PARTY OFFICIAL

FL271129Y Havana Domestic Service in Spanish 1100 GMT 27 Oct 78 FL

[Text] Josef Havlin, secretary of the Czechoslovak Communist Party Central Committee, has received in Prague Jose Felipe Carneado, chief of the PCC Central Committee Science, Culture and Education Centers Department. During the meeting, which was held in a fraternal and friendly atmosphere, the two officials stressed the development of education and instruction in Cuba and Czechoslovakia. They also noted the importance of intensifying cooperation in this field. Carneado heads the Cuban delegation to the international symposium on work experiences of political organizations of the socialist countries. The symposium was organized by the magazine (INTERNATIONAL).

## ECUADOR

### ELECTORAL TRIBUNAL TO RESUME COUNTING VOTES 6 NOV

PA281411Y Quito Cadena del Triunfo in Spanish 1255 GMT 28 Oct 78 PA

[Excerpt] Public sessions to count the votes of the presidential elections of 16 July will be resumed on Monday 6 November, said Gustavo Chavez, president of the Supreme Electoral Tribunal. Starting on that date three daily vote counting sessions will be held: in the morning from 1000 to 1300; in the afternoon from 1700 to 2000; and at night from 2100 to 2400.

The decision to resume the vote count was reached when it became evident that it would be impossible to end the recount of all provinces this week.

## JAMAICA

### MOVE TAKEN TO BLOCK ILLEGAL CURRENCY DEALS

FL271520Y Kingston DAILY GLEANER in English 25 Oct 78 pp 1, 13 FL

[Excerpts] New Jamaican currency notes will be put into circulation as from Monday, October 30, replacing others which will cease to be legal tender as from midnight on Tuesday, November 7.

A bill amending the Bank of Jamaica Act to this effect was passed by the House of Representatives yesterday and goes to the Senate for passage on Friday in a move by government to counter illegal transaction and export of Jamaican currency.

The notes to be replaced will be specified in a gazetted order by the minister of finance to be published on Saturday, October 28.

The minister, the Hon Eric Bell, told the House yesterday that the new notes will carry a date, will be generally of the existing design and sizes, with the colours somewhat changed, the same pictures of distinguished Jamaicans, but with the signature of the new governor of the Bank of Jamaica.

Mr Bell said that the law already gives the Bank of Jamaica the power to demonetize the currency after a three-month notice period. What the present legislation does is to give additional power to the minister over a shorter notice period; but the bank retains "the absolute discretion" to allow notes to be redeemed after the notice period has expired.

Tourism Loss

Mr Bell said the action was being taken because of the illegal transactions that had been taking place for some years. One effect, for example, was the estimated loss in the tourist industry of some $28 million in foreign exchange for this calendar year. The estimated loss last [year] was $20 million.

The minister also cited, without naming it, the effect on the ganja industry, where Jamaican currency obtained abroad was being used to pay for the weed.